

Public Expenditure file

AT
19/7



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

19 July 1984

Andrew Turnbull Esq
10 Downing Street
LONDON SW1

Dear Andrew,

As you requested last night, I have asked officials to check whether the information and arguments in table 4.5 of the PEWP on capital expenditure on construction work are still valid. You will see from the attached note that the figures quoted were not, in fact, entirely accurate; revised tables have now been published. This has the effect, I fear, of slightly reducing the cash figures for the years 1982-83 onwards. The figure of £5 billion for total expenditure on repair and maintenance in 1982 is still valid, as is the fact that public accounting conventions require us to classify all defence expenditure as current.

The Chancellor did make a brief reference to the repairs and maintenance point in his wind-up speech in the Budget debates; he discussed the treatment of defence expenditure during the debates on the Autumn Statement on 24 November.

Yours etc,

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Miss J C Simpson
Private Secretary

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